Foundations and major donors can take on pressing challenges that have defied government and business solutions. But being effective in this work is uniquely challenging.

To make every dollar count, foundations and major donors need to continually assess their performance, learn from data and exemplars, and adapt their practices in ways that are consistent with effectiveness.

That’s where CEP comes in.

CEP’S MISSION
Founded in 2001, CEP is a nonprofit organization focused on the development of data and insight to enable higher-performing funders. CEP’s mission is to provide data and create insight so philanthropic funders can better define, assess, and improve their effectiveness — and as a result, their intended impact. This mission is driven by the belief that more effective philanthropic funders can have a profoundly positive impact on nonprofit organizations and the people and communities they serve.

Our belief is that when philanthropic funders use CEP’s resources and insights, they can better understand their work and more effectively support the leaders and organizations working toward meaningful change.

More Information
Third-party assessments that CEP commissions, along with additional financial information, can be found on our website at cep.org.
Dear Colleague,

We at the Center for Effective Philanthropy (CEP) have been doing everything we can to help foundation leaders, staff, and board members, as well as major individual donors, to effectively respond to the crisis created by COVID-19. The crisis has revealed more starkly truths about deep inequities in our country and the world. The data tells us clearly that both the virus and the economic crisis are disproportionately impacting people of color in ways that could widen gaps in our society for years, if not decades.

So if ever there was a time to focus on effective giving — and on targeting resources to where they are most needed — it is now.

In doing that work, it’s important to keep in mind some truths that have been revealed about philanthropy, and that have informed CEP’s work over the years:

- Nonprofits supported by philanthropy play a unique and crucial role — especially in helping the most vulnerable.
- Collaboration across organizational boundaries is crucial to effectiveness.
- Listening to those closest to the problems philanthropy addresses is challenging but necessary.
- Multiyear, flexible support is essential for nonprofits.
- Effective philanthropy takes a unique set of skills and approaches — giving is not like investing; nonprofits are not like businesses.

We know these things now even more deeply than we did in 2019. But we knew them then, too, and we invite you to look back on 2019 with us. That year, as always, we worked toward our mission of helping foundation leaders and major donors maximize their impact. We published three data-rich research publications; conducted 115 assessment and advisory services engagements and expanded our influence globally; brought together almost 500 philanthropic leaders and trustees at a national conference; and continued to bring the perspectives of students to education leaders and funders through our YouthTruth initiative.

We invite you to read more about our activities in 2019 in this annual report, and to join us in 2020 and beyond in the vital effort to effectively channel resources in pursuit of crucial goals.

Sincerely,

Grant Oliphant
Chair, Board of Directors
President, The Heinz Endowments

Phil Buchanan
President
philb@cep.org
CRUCIAL DONORS: HOW MAJOR INDIVIDUAL GIVERS CAN BEST SUPPORT NONPROFITS

The largest source of philanthropic support for nonprofits in the United States is giving from individual donors. But the recent decline in giving among small- and medium-gift givers means that major donors are becoming critically important to nonprofits. CEP analyzed the survey responses of nearly 200 nonprofit leaders on our Grantee Voice panel to better understand what support nonprofits receive from major donors, what major donors can do to support nonprofits better, and how nonprofits’ relationships with major donors differ from their relationships with staffed foundations.

GREATER GOOD: LESSONS FROM THOSE WHO HAVE STARTED MAJOR GRANTMAKING ORGANIZATIONS

With more than 30,000 new private foundations established in the U.S. in the past 20 years, it is vital that early-stage grantmakers learn from the wisdom of those who have gone before them so they can avoid common mistakes and position their grantmaking organizations for success. CEP interviewed 35 leaders — including trustees, CEOs, program staff, and operations staff — of 14 grantmaking organizations that were established, or that experienced significant growth, in the past 20 years and that hold at least $350 million in assets. While there is no single blueprint for those new to philanthropy to follow, the insights gleaned from these interviews offer guidance for a new wave of philanthropic leaders as they seek to build thriving grantmaking organizations.

GRANTEE VOICE BLOG SERIES

Based on analysis of survey responses from nearly 250 nonprofit leaders on CEP’s Grantee Voice panel, this collection of six blog posts shares nonprofit leaders’ candid perspectives about what they want from their foundation funders. This blog series highlights a number of important practices which foundations can improve — regardless of their approach, issue area, or the community in which they work — to work with grantees to accomplish their shared goals.
ASSESSMENT AND ADVISORY SERVICES

CEP’s assessments provide actionable insights and benchmarking on foundation clients’ work with — and influence on — key stakeholders. Hundreds of funders of every type and size have commissioned CEP’s assessments to make the best choices about how to use their resources to create impact.

GRANTEE PERCEPTION REPORT ® (GPR)
The GPR — the most widely used grantee survey — provides funders with candid and actionable comparative feedback from grantees on key topics including impact on grantees’ fields, communities, and organizations; understanding of intended beneficiaries; and interactions and communications with grantees.

DONOR PERCEPTION REPORT (DPR)
The only survey that benchmarks donor perceptions across community foundations, the DPR provides community foundations with candid feedback and insights from their donors on topics including donor satisfaction, future giving plans, and perceptions of leadership in the community.

STAFF PERCEPTION REPORT (SPR)
Designed specifically for philanthropic funders, the SPR helps funders gather, understand, and act on staff feedback in ways that connect directly to the unique context of philanthropic effectiveness.

ADVISORY SERVICES
CEP’s advisory services offer data-driven, customized advising to help funders better understand and improve their effectiveness. Each advisory engagement leverages CEP’s deep knowledge about philanthropy and what matters to foundations and their stakeholders.

2019 Highlights
- Expanded CEP’s emphasis globally, with a staff member relocating to Amsterdam, the Netherlands and 10 engagements with funders located outside the U.S.
- Supported funders in their equity work, including efforts with two funders to develop effective ways to collect and use demographic data and interviews with funders’ staff and grantees to understand differences in experience related to gender and race.
- Deepened advisory engagements, including defining and testing a set of relationship experience standards with a funder’s grantees; conducting stakeholder surveys with giving circle participants, new applicants to foundations, and recipients of impact investments; and surveying members of a regional association.
YouthTruth harnesses student and stakeholder feedback to help school leaders and education funders make better decisions that lead to better outcomes for students. Through validated survey instruments for students, family, and staff, as well as tailored advisory services, YouthTruth partners with schools, districts, states, and education funders to enhance learning for all students.

In 2019, YouthTruth began its third year of an initiative with a group of funders in the Bay Area to explore the extent to which funders can constructively learn from the student experiences, insights, and perspectives captured by YouthTruth’s surveys. YouthTruth also launched a second regional initiative with a group of funders in Ohio. The respective regional groups are supporting networks of local schools and districts to participate in YouthTruth at no cost (districts typically pay to participate), and to come together as a learning community to discuss how student feedback can be used to enhance effectiveness.

LEARNING FROM STUDENT VOICE REPORTS & CASE STUDIES

YouthTruth launched the Learning from Student Voice series in 2016 to bring data and insight to bear on pressing challenges related to school experience and improvement. In 2019, YouthTruth released its first Learning from Stakeholder Voice report exploring student, family, and staff member perceptions of school discipline. YouthTruth also continued to analyze its student feedback dataset and published a Learning from Student Voice report on emotional and mental health. In addition to these reports, YouthTruth published two guidebooks: one focused on bullying prevention strategies, and one highlighting protocols and strategies to engage students in school climate data and lead alongside adults in defining and meeting school improvement goals.

2019 YouthTruth Funders

342,050 STUDENTS SURVEYED
72,054 FAMILY AND STAFF SURVEYED
IN 26 STATES
4 LEARNING FROM STUDENT VOICE REPORTS & GUIDEBOOKS
 Nearly 500 foundation CEOs, senior leaders, trustees, and donors came together in Minneapolis in May for the 2019 CEP Conference, *Stronger Philanthropy* — the largest biennial national conference in CEP’s history. The conference included three days filled with learning, collaboration, and discussion of numerous topics at the heart of philanthropic effectiveness.

Among the talks and panels, Pulitzer Prize-winning author and sociologist Matthew Desmond presented sobering data on the American housing crisis, followed by a frank discussion about renter abuse and eviction featuring members of local tenants’ rights advocacy group Inquilinxs Unidxs Por Justicia (United Renters for Justice). Anand Giridharadas, author of *Winners Take All: The Elite Charade of Changing the World*, and Jeff Raikes, co-founder of the Raikes Foundation, discussed critiques of mega philanthropy and the role of power and money in solving societal problems. Actress and *CBS Sunday Morning* commentator Nancy Giles used her unique blend of sharp commentary and wit to illustrate the ways in which the nation struggles deeply to talk about race — and how that tension informs the work of funders serving communities of color. And political philosopher and bestselling author Michael Sandel led an interactive plenary with open debate among audience members about the role of values and morality in a world increasingly dominated by money and a market economy.

Videos of several sessions from the conference are available on [CEP’s YouTube channel](https://www.youtube.com/centerforeffectivephilanthropy).

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*2019 CEP CONFERENCE*

*STRONGER PHILANTHROPY*

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7 | CENTER FOR EFFECTIVE PHILANTHROPY
CEP’S BLOG

The CEP Blog continued to serve as a highly read platform for evidence-driven discussion of pressing issues in philanthropy, including posts from CEP staff and guest contributors such as Latino Community Foundation CEO Jacqueline Martinez Garcel, Funders Together to End Homelessness CEO Amanda Andere, McKnight Foundation President Kate Wolford, and the William and Flora Hewlett Foundation President Larry Kramer.

GIVING DONE RIGHT

Published in April 2019 by PublicAffairs, *Giving Done Right: Effective Philanthropy and Making Every Dollar Count* by CEP President Phil Buchanan draws on nearly two decades of CEP’s work to arm donors with what it takes to do more good, more quickly, and to avoid predictable errors that lead too many astray. *Giving Done Right* received wide acclaim upon its release, including being named Inside Philanthropy’s “Best Philanthropy Book of the Year,” and the book led to interviews and mentions in numerous national and local media outlets including *The New York Times*, *Vox*, *The Financial Times*, and *Forbes*. Buchanan spoke widely about the key lessons of the book in 2019, both through in-person events around the country and on networks including several National Public Radio affiliates, Bloomberg Businessweek Radio, and WGBH Boston.

“A thoughtful, engaging read with important insights and valuable analysis to help donors and philanthropists be more effective with their giving. A must read for those who really want to make a difference when supporting nonprofits.”

Bryan Stevenson, Founder, Equal Justice Initiative and Author, *Just Mercy: A Story of Justice and Redemption*
### STATEMENT OF FINANCIAL POSITION for the year ended December 31, 2019

dollars in thousands

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted</th>
<th>Temp Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Assets</strong></td>
<td>4,439</td>
<td>3,932</td>
<td>8,371</td>
</tr>
<tr>
<td><strong>Selected Balances</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>1,938</td>
<td>2,034</td>
<td>3,972</td>
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<tr>
<td>Investments</td>
<td>2,405</td>
<td></td>
<td>2,405</td>
</tr>
<tr>
<td>P/R</td>
<td></td>
<td>1,938</td>
<td>1,938</td>
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</tbody>
</table>

### STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS for the year ended December 31, 2019

dollars in thousands

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted</th>
<th>Temp Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Revenue &amp; Support</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants &amp; Contributions</td>
<td>5,058</td>
<td>968</td>
<td>6,026</td>
</tr>
<tr>
<td>Earned Revenue</td>
<td>5,855</td>
<td>(389)</td>
<td>5,465</td>
</tr>
<tr>
<td><strong>Total Operating Revenue &amp; Support</strong></td>
<td>10,913</td>
<td>578</td>
<td>11,491</td>
</tr>
<tr>
<td><strong>Operating Expenses</strong></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Program Services</td>
<td>8,563</td>
<td></td>
<td>8,563</td>
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<tr>
<td><strong>Supporting Services</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management and General</td>
<td>1,466</td>
<td></td>
<td>1,466</td>
</tr>
<tr>
<td>Fundraising</td>
<td>170</td>
<td></td>
<td>170</td>
</tr>
<tr>
<td><strong>Total Supporting Services</strong></td>
<td>1,636</td>
<td></td>
<td>1,636</td>
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<tr>
<td><strong>TOTAL EXPENSES</strong></td>
<td>10,199</td>
<td></td>
<td>10,199</td>
</tr>
</tbody>
</table>

| Change in Net Assets                      | 713          | 578             | 1,291  |
| **Net Assets at Beginning of Year**       | 3,785        | 3,354           | 7,139  |
| **Net Assets at End of Year**             | 4,439        | 3,932           | 8,371  |
2019 FUNDERS

$500,000 OR MORE
- Robert Wood Johnson Foundation
- Silicon Valley Community Foundation
- Sobrato Family Foundation
- State Street Foundation
- Teagle Foundation

$200,000 TO $499,999
- Blue Shield of California Foundation
- The Duke Endowment
- Edna McConnick Clark Foundation
- Houston Endowment
- M.J. Murdock Charitable Trust
- Rockefeller Brothers Fund
- Surdna Foundation
- Wilburforce Foundation
- Silicon Valley Community Foundation
- Sobrato Family Foundation
- State Street Foundation
- Teagle Foundation

INDIVIDUAL CONTRIBUTORS
- Michael Bailin
- Paul Beaudet
- Kevin Bolduc
- Phil Buchanan
- Kathleen Cravero
- Alyse d'Amico
- Jessica David
- Mark Edwards
- Betsy Fader
- Phil and Marcia Giudice
- Tiffany Cooper Gueye
- Crystal Hayling
- Latia King-Fontánez
- Patricia Kozu
- Dick and Elizabeth Ober
- Grant Oliphant
- Hilary Pennington
- Christy Pichel
- Eric Ross and Nicole MacNeel
- Vince Stehle
- Kelvin Taketa
- Fay Twersky and Jill Blair
- Lynn Perry Wooten
**2019 ASSESSMENT AND ADVISORY SERVICES SUBSCRIBERS**

| America for Bulgaria Foundation (Bulgaria) | Harold K. L. Castle Foundation |
| Archstone Foundation | Helios Education Foundation |
| Arcus Foundation | Hogg Foundation for Mental Health, University of Texas |
| Argidius (Switzerland) | Hutchinson Community Foundation |
| Arkansas Community Foundation | Innovia Foundation |
| Blue Grass Community Foundation | J.W. McConnell Family Foundation (Canada) |
| Bundesverband Deutscher Stiftungen (German Association of Funders) (Germany) | Jessie Ball duPont Fund |
| California Community Foundation | John D. and Catherine T. MacArthur Foundation |
| Cambia Health Foundation | Kenneth Rainin Foundation |
| Central Carolina Community Foundation | Latino Community Foundation |
| Chan Zuckerberg Initiative | Laudes Foundation (Switzerland) |
| Charlottesville Area Community Foundation | Longwood Foundation |
| Claneil Foundation | Los Alamos National Laboratory Foundation |
| Community Foundation of Greater Des Moines | Margaret A. Cargill Philanthropies |
| Community Foundation of Sarasota County | Marguerite Casey Foundation |
| Community Foundation of the Lowcountry | Methodist Healthcare Ministries of South Texas, Inc. |
| Community Foundation of Western Massachusetts | National Geographic Society |
| Crown Family Philanthropies | New Hampshire Charitable Foundation |
| Danville Regional Foundation | New York State Health Foundation |
| DC Commission on the Arts and Humanities | Northern California Grantmakers |
| Delaware Community Foundation | Northwest Area Foundation |
| EMpower – The Emerging Markets Foundation | Oklahoma City Community Foundation |
| Ewing Marion Kauffman Foundation | Overdeck Family Foundation |
| First 5 LA | Peter Kiewit Foundation |
| Ford Foundation | Pisces Foundation |
| George Kaiser Family Foundation | Raikes Foundation |
| Gordon and Betty Moore Foundation | REACH Healthcare Foundation |
| Grand Rapids Community Foundation | Realdania (Denmark) |
| Greater Milwaukee Foundation | REI Co-op |
| Greater Washington Community Foundation | Saint Paul & Minnesota Foundation |
| SHINE (United Kingdom) | Silicon Valley Community Foundation |
| State Street Foundation | The Assisi Foundation of Memphis |
| The Baltimore Community Foundation | The Blandin Foundation |
| The Champlin Foundation | The Colorado Health Foundation |
| The Community Foundation for Greater New Haven | The Community Foundation of Northeast Florida |
| The David and Lucile Packard Foundation | The END Fund |
| The European Climate Foundation (The Netherlands) | The George Gund Foundation |
| The Healing Trust | The Heinz Endowments |
| The Kresge Foundation | The Leona M. and Harry B. Helmsley Charitable Trust |
| The Ralph M. Parsons Foundation | The Richard H. Driehaus Foundation |
| The Robert Wood Johnson Foundation | The Seattle Foundation |
| The Simmons Foundation | The Skillman Foundation |
| The Walmart Foundation | The William and Flora Hewlett Foundation |
| The W. K. Kellogg Foundation | UBS Optimus Foundation (Switzerland) |
| Vitol Foundation (The Netherlands) | Vitol Foundation (The Netherlands) |
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